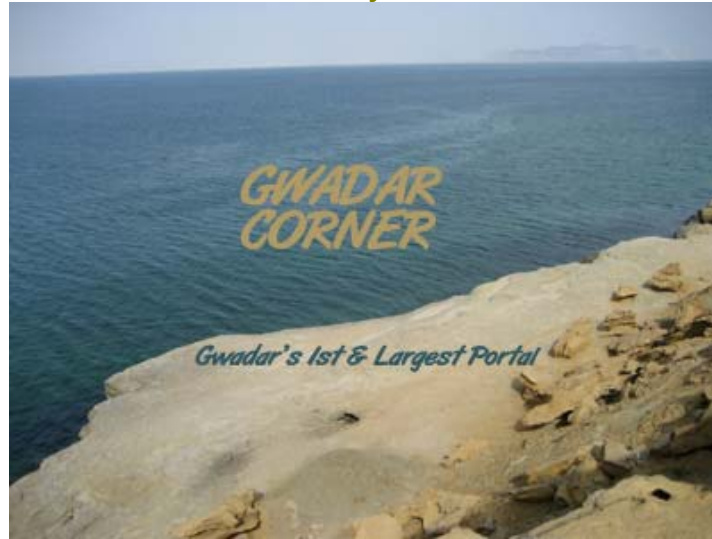




Gwadar Business Update Article # 5 (Part-B)

By



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PART-B

Gwadarcorner.com team consisting on **Awan Nazar** and **Chaudary Dawood Wajid (CDW)** visited Gwadar from 9th January to 16th January 2007. This was the sixth tour of the team since 2004. Main purpose of this visit was to collect the latest information regarding development on the part of Government, as well as for Privates Projects. Useful information has been collected. It is difficult to narrate the whole information in one posting therefore this Article was posted in two Parts. (**Part A & Part B**)

Part-A covered the details only for Sangar Housing Project, whereas now in Part-B, New town, Gwadar Industrial Zone, GDA (Gwadar Development Authority) Projects, Private housing Projects and Open land is included. We have tried our best to convey the correct information to our website visitors, and readers from all over the world. Any positive comments which may indicate our mistake are welcome. We also like to invite the builder/developers to send us information of any development in their project, so that we may add such things in our upcoming Articles.

(1) OLD TOWN GWADAR:

Existing Gwadar Town is located adjacent to the **Free Trade Port** and **Koh-e Baatil**, between the curved strip of east (**Demi Zer**) and west (**Pedi Zer**) bays. Its overall length is about 2.5 kms and width is about $\frac{3}{4}$ km. Total population is about one lakh (0.1 million). There is only one Main Road, which meets the Airport Road at Javed Complex on North and on other end towards the main Bazar. Being oldest city, its inner streets are narrow, whereas streets around Mula Fazal chowk, Mujahid Ward, Baloch Ward and in the vicinity of civil hospital are comparatively wide. Main town lies in



between, south Fish Harbor (mini port, west Fish Harbor Road, North PIA office and east Demi Zer (east bay). In the near future this will be port express way (Demi Zer) road. Most of the streets are non metalled, and there is no proper sanitation system. It seems that district Govt. health department doesn't look into it, due to which this town still exists, and there is no significance of any new development. When areas outside and around are being developed with modern technology, no attention is being given to this old town. One justification is given that this area will be re-located at some other places (**Peshukan and Surbandar low cost housing project**).

But this philosophy is not understood because still no fruitful arrangements to re-locate this population are seen. People are ready if compensated properly. With the passage of time, I think re-location will be more difficult, except some areas around the port vicinity or lying on port express way road, which will be definitely re-located due to urgent govt. needs for port operation. But if some good arrangements are made at an early stage with good planning to re-locate this town, then there will be the beautiful face of new Gwadar.

In presence of this locality there will be many problems in future. Shifting of one lakh population is not a matter for the Govt. Govt. is spending billions of rupees on development; I don't think there will be any problem to give a good package to these residents. After the ongoing, and new developments when there will be business activities in Gwadar, this area will be the centre of sick activities and a black spot on the face of new Gwadar, which will create hindrance at many stages.

(2) WEST BAY (Pedi Zer):

After, Koh e Baatil Hill, this bay is one of the beautiful places, sea at here is not deep and is pollution free, one can have a quality time enjoying here. Along the west bay there is a fish harbor road which starts from the Government Guest House and goes to the Harbor/port/sangar. Most of the Govt. offices are located on this road.

This road links to Main Jinnah Avenue Road in Newtown, and the existing old town road at PIA office. **Marine Drive and Pedi Zer** Roads are being constructed on the west of Guest House having 20 km planned length. Adjacent to Guest House **Creek city, Golden Palms and Globbiz Avenue** have been announced. Newtown Phase-1 west end also touches this bay. Guest house is known as **Governor House**.



(3) AIRPORT ROAD:



Land along both sides of the Airport Road is costly. In 2003 cost of one Acre at here (08 kanals) was about one crore Rs (10 million). During hike time in March 2005, it was above 20 million, and know price at here is still high as compare to the other areas which are costing 10 to 15 million per acre. In its east most of the area is commercial, and private projects like **FTBA, Muscat Centre, and Civic Center** are located on this side. On west side there is **Newtown Phase-I** up to Nyabaad (low cost residential area).

Any person holding plot in Newtown facing this road can use it for commercial activities, but high-rises will not be allowed as per GDA bylaws.

The area on east is good for high rise and other commercial activities. After the end of Newtown areas both sides of the roads could be used for commercial activities. It is good for investor's to have a piece of land at here to announce any commercial apartments, construction of hotels/motels, and Rest Houses etc...

(4) NEWTOWN:

Newtown was the 1st Government project started in 1986-87. Initially, plots having size of 1000 sq/yd at the cost Rs 500/- , and plots having a size of 500 sq/yd at the cost Rs 250/- were allotted. Main aim behind this was to accommodate the poor population of Gwadar. During this period the cost of the open land was minimal at this time, and no one other than locals liked to live in desert, because of no electricity, water and other necessities for life. Except locals very few non locals got allotment at here. Thereafter, other Phase was announced at the cost Rs 10000/- for 1000 sq/yd and Rs 5000/- for 500 sq/yd plots respectively. At this time **MCB (Muslim Commercial Bank)** carried out all transactions. Until the stone breaking ceremony of the coastal highway, and port, there weren't any problems in this project. The lack of computerization of the allotment records, some fake files entered in the market, due to which in 2005 all record was sealed and ban was imposed on transfer. It is interesting that in June 2004, price of a 400 sq/yd plot was just about 85 thousand Ruppees , and the price of the same plot in February of 2005 (only after 8 months) reached at 12 lakhs (18 times). Similarly, price for a plot of 1000 sq/yd in Phase-IV, jumped from 5 lakh to 18 lakhs. Decline in prices was observed in March 2005. Price of other areas declined about 50 % but at here the price declined rate was about 80%.

Main reason of the decline in prices at here was due to the ban on transfer and verification of the plots was not easy. All risk was observed in Phase-IV for most of the files allotted after 2003-2004.

But, now some positive development has taken place and "C.G" has taken over the management of Newtown, all records for the land allotment is shifted to Karachi for proper

computerization of data, and all previous allotments now stands cancelled until further update. Now, we think that if the ban is lifted, and Map is circulated, after the computerization of allotment records, and development strategy is adopted by handing over the project to authority like GDA, then prices will become much higher than the property boom of February, 2005.



This is the very 1st residential area of this newly built city. It's therefore necessary to carry out execution of development works, and clear the status of allotted plots in order to strengthen the Gwadar Real Estate market further. After the ports operation on 20th March 2007, there will be acute shortage of living accommodation for the people engaged with port, and for other construction activities in gwadar. So, there is need on the part of the Govt. to look into it. More than 60% area of the Newtown Phase-I is already populated and I hope if Govt gives the possession in all its four Phases, then this area will become fully packed within two years.

(5) PRIVATE HOUSING PROJECT(s):

It is difficult to visit each project, and to update the people about the latest developments. Although, the development process on the part of private developers is slow, but it is expected that some famous developers will complete the project well in time. It is a basic responsibility of the buyer to ask their developers about the status of development before paying the development charges, and installments.

(i) SABZI MANDI

Sabzi Mandi is located close to Door Ghetti on the north of Koh e Mehdi. The site location is fine. Its construction work is started and it is hoped that with the passage of time it will carry weight. There is nothing to worry at here and investors those who booked anything here looks in safe hands. I don't know what will be the output of management but if they pay due attention this place has worth value. At present, not much resale is happening here, and the investors who bought plots here have to wait for a while in order to get profits. But, its recommended to have your own business setup here, instead of resale.

(ii) CREEK CITY, GOLDEN PALMS AND ANY OTHER PROJECTS UP TO PALERIKHOR

Commercial high-rises at here will be good, and residential projects will take little more time. Some development works activities are observed in Golden Palms. It is expected that being the project Hashoo Group there will be a good level of development up to the entire satisfaction of allottees at here. Construction of **PC hotel** is a proof of their good work and token of love with Gwadar. Re-sale gains in Golden Palms or any of the other projects at here will take place with timely developments, and completions.



(iii) NEW WORLD CITY AND GDA-5

The Sites for both of these projects are at ideal locations (being close to the existing airport road and main Jinnah avenue road). Development work in new world city is in progress and they are offering construction NOC's to the allottees. In this regard they have also fixed a notice board on site. It is expected that both these projects will gain re-sale value soon. There is nothing to worry for those who invested at here.

(iv) PROJECT(s) OUT OF GWADAR MASTER PLAN

All projects announced out of the existing GDA Master Plan comes under long term investments, and therefore people must keep this in mind while investing in such areas. At this stage it is difficult to mention the time period but existing Master plan will take due time to be populated. It depends upon the circumstances, but keeping in view the future activities after port operation, airport, industrial zone, oil refinery, energy corridor, petroleum Industry etc, it is expected that there will be urgent need of skilled and unskilled labor, therefore, low cost housing projects close to

port, airport, industrial areas will gain value. Any how the projects on Main coastal highway anywhere will gain value.

(6) GWADAR INDUSTRIAL ZONE (GIE):

Gwadar Industrial Zone aka **GIE** is located on main Coastal Highway at the very beginning of Karwaat area, which is about 40 kilometers from Door Ghetti and the Port. Anyone, traveling on



the east bay via coastal highway can easily see the 1st sign board at main road just at the start of Karwaat area, and the other sign board is fixed after 10 kilometers from the 1st board. This shows that Government has plans to cover the entire 10 Kilometer road front for **Gwadar Industrial Zone (GIZ)**. Its other south end meets the sea. Although, Govt made allocation for 2000 acres of land but they have reserved the land which will ultimately reach to 10 thousand acres.

If any one visits at the site, lot of development work is seen at there;

speedy work is going on for road development, desalination plant has been installed, and various offices are being constructed.

It's amazing that Govt has fixed the price for one acre at only 15 lakh Rs. which is much lower than any of the existing private industrial projects (i.e. 48 lakhs per acre). Plus, the level of development work done here is far better then all other private industrial projects. Anyone who is thinking for future planning to have an industry must book a plot in this secure and profitable zone. Investors, those who booked plots earlier are now selling it at the profit of 4.75 lakh Rs for one acre.



(7) LAND SETTLEMENT IN OTHER AREAS (Tehsil Pasni):

Gwadar Tehsil ends at Karwaat. Next Tehsil is Pasni which starts from Mozah kapper, thereafter other Mozahs are Nalliant, Soad Khor and Shenzani. In 2002-2003 land settlement was made in Jiwani, Gwadar and Pasni Tehsils, but due to some reason the Khattoni of Kapper, Nalliant and some other area's of tehsil Pasni were cancelled . Three years time period is over but no new settlement is arranged due to which people of these areas have some doubts/reservations. They argue that when all residents of Gwadar are enjoying benefits of land transfer, then why settlement can't be done for our areas, whereas there is no other source of income.

Govt through a notification dated 20 December, 2006 informed the local land lords that land which is situated between north end of main coastal highway, south end sea, west end Soad Khor, and east Shenzani Mozah will be acquired by the government. In Notification the people have been informed to submit their objection within 30 days.

The area between Soad Khor and Shenzani has a roughly 40 kilometer road front. It is a matter of concern that land settlement is done at here and proper Khatoni is issued so that natives of these are could get benefit of it and also private investor could be able to launch some project at here.

(8) SOAD KHOR DAM:

It is situated at about 15 kilometers from Main Coastal Highway (65 kilometer road stone at Nallant) towards north in mountains valleys. About 70% work of this Dam is completed. After completion of this Dam there will be enough water for Nalliant to irrigate the barren plane land and beside this there will be alternate water supply for industrial Zone and nearby localities.

(9) GWADAR DEVELOPMENT AUTHORITY (GDA):

Gwadar Development Authority, being new department its performance is outstanding, although huge funds for development have been allocated but the execution of work in last two years is tremendous. GDA Head office is located at west bay close to the Guest house and Fish Harbor colony at Fish harbor road. They have constructed a beautiful building and work on other blocks is in progress.

Still GDA is not in a position to play active role like CDA in Islamabad. In GDA Master Plan about 19500 acres of land is marked for residential purpose, and most of the roads network is done in this area. GDA has marked about 27 roads in the Master plan, and they are planned in such a way that it covers all of the master plan area. At each one kilometer there is a road.

Roads length varies from 10 to 23 kilometers. The details are as follows:-

Main **Jinnah Avenue** Road is 14 kilometer long and it starts from Newtown Phase –I and goes parallel to airport road after cutting the north edge of existing Airport it crosses the Main coastal high way at Cheb kalmati. Most of its work is completed, service roads are in operation whereas black topping on the main six lanes is about to commence.



This road is also used as an alternate road for airport and people visiting Port and Sangar without entering the old town. All Newtown Phases, GDA-5 and New world city are lying on this road. Area along both sides of this road is marked as commercial. Parallel to this road on west side residential area is marked on master plan. There are about 10 roads, which are located at the distance of one kilometer from each other, they are:

- Sarawan Avenue (14 km),
- Jhallawan Avenue (13 km),
- Awaran Avenue (13 km),
- Kharan Avenue (10),
- Rakshan Avenue (12 km),
- Bolan Avenue (12 km),
- Chaltan Avenue (12 km),

- Taftan Avenue (12 km),
- Chagi Avenue (12 km),
- Mand Avenue (12 km).

All roads are at a kilometers distance on the west of main Coastal highway. On east there is a road **Pasni Avenue (20 km)** at a few kilometers parallel to **Jinnah avenue** road. Other roads are **Balochistan Broadway, Pedi Zer and Marine Drive**, and most of the work is completed on them, and details of the same were already given in our previous Article # 4. Port Expressway (Demi Zer 14 km) details are covered in the “**Deep Sea Port**” section of this article. Work on almost all roads is in progress. Still GDA have to do lot of work to develop this new born city as a challenge. So far GDA performance is appreciated except this:-

GDA has no single housing Project, and its participation to accommodate the existing local population is not up to the mark. Since Gwadars development phase started, most of the Gwadar natives were very happy and even today they pray for its successful future. But, they do have some reservations which are as under:-

(i) MEDICAL FACILITIES:-

Except civil hospital, which is not in good condition there is no other medical center, where all facilities could be available. It was good if with the construction of port and coastal highway, at least a 100 bed hospital was constructed, GDA now is in the process of constructing a 50 beds hospital, but it is too late.

(ii) IT CENTRE

There is an urgent need to establish an IT centre in Gwadar because, so far there is not a single IT institute in Gwadar, but, one has been announced in the Civic Center under construction. Although a Fibre Optic network does exist and covers all Gwadar, but no proper internet facility is yet available. It's just negligence, and proper actions taken can solve the problem immediately. Internet and interaction of Gwadar locals, businessmen, and Traders with outside world is a must.

(iii) TECHNICAL INSTITUTE

There is a need to establish a polytechnic institute in Gwadar, so that skilled technical people could be available for port and for other future projects in Gwadar.

We sent an e-mail to GDA and to the Govt. on this issue in the past. Although govt. announced it, but still nothing is seen on ground and in action.

GDA Website: Being no internet facilities available to the staff sitting in GDA head office, they are unable to use the internet and to view GDA web site. Website is active but it is not updated, and its functions are very poor and most of the pictures, and links in it are not working. GDA should look into it because many Pakistanis visit this site for updates.

(10) DEEP SEA PORT

Port work was started in March 2002, and its Phase-I was completed in March 2005. Due to delay in finalizing ports operation contract, and to complete the other required civil infrastructure works its inauguration which was due in March 2005, got delayed. Now the Port operator contract is awarded to a **Singapore Company (Port Singapore Authority)** and inauguration date is announced, hopefully it will take place well before the announced date of 23rd March 2007.

Expected date of inauguration for the Gwadar Free Trade Port is 20th March 2007. **President, alongwith Prime Minister of Pakistan, and China's communication Minister will do the honors.** Sources in Gwadar tell that all concerned departments are fully engaged to complete their job and to prepare the port for Inauguration. Representative of Singapore has already taken control of ports operation and assets.

What will be the expectation after ports inauguration? We think this question will be in the mind of each Pakistani and investor. Soon after the Inauguration, there will not be enough business because still many things are required to do. i.e. road link to Rato Daro which is being constructed in four sections, most of the road black top work is completed, but still work on many bridges is going-on, it is expected this work will be completed soon and road link with main highway will be available. It will be a huge achievement, and we can say that 1st time gwadar through road link will be connected with Punjab and NWFP.



The other main thing which will be needed is Port express way (Demi Zer), which starts from port and will meet at main coastal road near Surbandar having length of 14 kilometers. This road is on the east of Gwadar along the beach and goes around the Koh e Medhi muddy hill. Land acquiring by Government for this purpose is already in the process, and related Notices have been issued to the Public.

Notification No 1018-28 dated 20th Dec'06:

1100 Acres in Shanakani Dar and Surbandar in following Khasras:-

Shankani Dar 269 acres (For Creation of National Logistics Cell – NLC)

Khasra No 246 min, 146 min 247min 145, 248 144 min 244 min

Surbandar 831 acres : 59/1, 59/2 and 59/3

Notification No 1043-55 dated 20th Dec'06: (For Port Expressway)

77 acres for Expressway- Navy Ward:- 7 acres 3 min, 23 min, 20/1, 12 min, 29 min, 12/1 min 28 min

Door Ghetti 26 acres : 176 min, 177 min, 295 min 207 min, 209 min, 173 min, 174 min, 171 min, 93 min, 186 min, 97 min, 172 min, 178 min,

Shankani Dar 27 acres : 246 min, 236 to 239 min and 244 min.

Surbandar 15 acre: 59/9 min, 59/4 min, 59/11 min

The 3rd thing which is most important is the availability of warehouses; a few of them are now under construction at Gwadar Industrial Estate (GIE). Hopefully, many from public sector will construct such accommodation on land closely available with the port. Overall if things go in the right direction, then the Gwadar Free Trade ports operation will be in full swing within a period of 1-2 years. However, transit facilities will be available and this work will start soon after inauguration. The investors who had already managed the land in nearby vicinity to construct the ware houses will be benefited. Although land close to the port is costly but after ports operation warehouses will be needed close to the port. (i.e areas like Shanakani Dar)

(11) AIRPORT

Existing Gwadar Airport is in Washen Door about 13 kilometers from main Gwadar town. Total land about 750 acres is there for this airport. Existing terminal building is being upgraded to



accommodate the passengers till completion of the new Airport. Site of New Airport is located in Moza Gurandani Shumali & Darbela Shumali few kilometers before Karwaat, close to Govt. Industrial Zone. ***This area in future will be more important due to Govt. Industrial Zone and New Airport, because most of skilled and unskilled labor will prefer to live at here; because it will be difficult for them to reach here from far area marked in gwadar Master plan as residential area.*** Therefore there will be need to have low cost residential colonies. In **Gwadar Industrial Estate (GIE)** land is

allotted from one acre to five acres therefore there is no land for labor colonies except industry etc.

We think Makah city or any of other societies if already announced or in future will be announced can be good for living in next five years time period till the completion of new airport and establishment of industry. Presently, private lands in this area are very cheap even away from road is not more than 2 lakh per area. Karwaat, derbella, gurdani and zariat machi are favorite places for low costing housing project.

It's mentioned that lands falling in the following Khasra's will be acquired by the Government for their projects.

Notification No 1004-17 dated 20th Dec, 06 4137 acres (For NEW Gwadar International Airpot)

Derbela Junubi, 87 acres : Khasra No. 6 min and 1 to 5

Derbela Shumali, 940 acres : Khasra No. 215, 216 min, 175 min, 176, 217 min, 208, 218 min, 204 min, 205, 178, 179, 174 min, 211, 206 min, 210, 212, 213, 213/1, 214, 199 min, 186 min, 177, 180 to 182, 195 min, 187 min, 200, 201 min and 207.

Gurandani Shumali, 3108 acres : Khasara No. 36, 40 min, 48, 58, 116, 24 min, 64 min, 88 min, 107, 66 min, 98, 62, 63 min, 106, 89 min, 92 min, 101 min, 94, 105, 108, to 110, 114, 115, 118, 91 min, 117 min, 39, 103, 29 min, 43 min, 37, 49, 31 min, 32 min, 45, 47, 57, 59, 59/1, 61, 33 min, 34, 35, 95, 96, 99 min, 44, 52 min, 53 min, 54 min, 55, 56, 48/1 min, 38, 113 min, 41 min, 51 min, 97 min, 100 min, 102 min, 104, 46, 60, 65 and 30.

Government announced to acquire about 6500 acres of land. It is good to mention here that in recent notification issued by executive district officer/collector gwadar district dated 20th December 2006, land measuring 4137 acres located in Derbella Janobi /shumali Gurandani Shumali is included in it. It shows that airport will be in this area of Gurandani Shumali and Derbella Janobi and Shumali.

If govt acquired 6500 acres land for gwadar airport than it is expected that this airport will be one of the biggest airports in Pakistan. Planning of a biggest airport and industrial zone at 10 thousand acres area are the signs of one of the biggest city in Pakistan. Although things will take time to change but Govt. future planning are appreciated.

(12) HBFC

- (i) House Building finance Corporation has opened its office in Gwadar to facilitate the local, question is that, Is there any benefit to local poor native and they will be able to pay the installments? Answer is a big **NO**. Keeping in view the terms and conditions of HBFC, even if they allow the loan without interest even then it will be difficult for poor Gwadar natives to Pay. Then who will get benefit of it? Only those who already collected lot of money. If Govt. is serious then launch a low cost project (free) because I don't think that gwadar poor are able to pay even just few thousand.
- (ii) HBFC is restricting to give advance only to locals, not to any person belong to any of other province. If this policy continued then HBFC could not play active role for Gwadar Development. I suggest it should be extend to all and allow the loan as per their criteria, in this way they can generate funds and also could participate in Gwadar development. If this facility is extended to all Pakistani citizen even village in other part of Pakistan then why not in Gwadar for all Pakistani citizen holding land at there. I also suggest this facility should be extended to the investor as well.

(13) KALMAAT CREEK

A beautiful place having creek with 5x4 kilometer dimension is located about 65 kilometers from

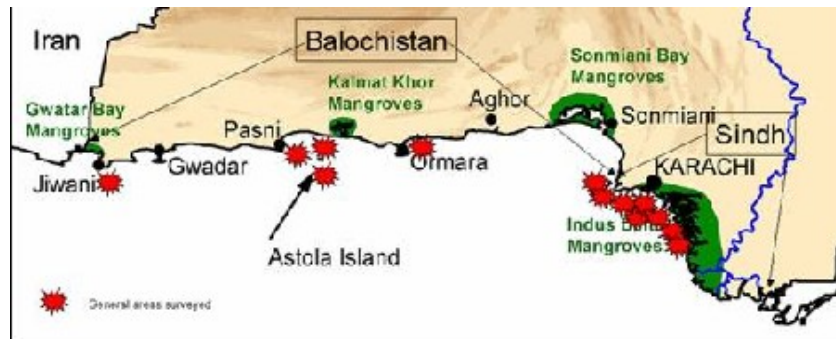


Pasni toward Karachi. There is a link road from main coastal highway to this village. Presently there is non mettle but Govt. has planned to construct a mettle road. After construction of this road the distance will be about 10 kilometer from main coastal road, thus total distance will come from Pasni about 75 kilometer, from Gwadar, it is about 187 kilometer.

Still settlement is not done at here, due to which land cost is very low, but the land owner has legal documents with them and there is some registry procedure after making the payment of Govt.

required fee. But one thing is important to note here that at the time when settlement will be completed, Khatoni will be issued to the original land owner; however on the basis of sale agreement and registry, its transfer could be done.

There is a risky element factor but while buying the cheap land, risk is always there. According to my own observation this place is more beautiful than Gwadar west bay or any area on our coast. This place will be good for tourism and sea food industry. At here one thing is more interesting for general public and that is an **Astola Island** close to this place.



Astola Island 6 kilometer long and 200 feet high is located on south of coast at a distance about 15 miles from Kalmaat creek and about 40 kilometers from Pasni. Kalmaat is the closet point to reach Astola. This is a good place for tourism industry and people can visit here in all season except high tide season of monsoon. Pictures and map can be seen at here.

:: The End ::

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